

# **Squamish Community Foundation**

Financial Statements  
and  
Auditor's Report

For the year ended December 31, 2021

# **Squamish Community Foundation**

## **Contents**

For the year ended December 31, 2021

	Page
INDEPENDENT AUDITORS' REPORT	3 - 4
FINANCIAL STATEMENTS	
Statement of Financial Position	5
Statement of Operations	6
Statement of Changes in Net Assets	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 13



## INDEPENDENT AUDITORS' REPORT

**To the Board of the Squamish Community Foundation**

### *Qualified Opinion*

We have audited the accompanying financial statements of the Squamish Community Foundation (the "Foundation") which comprise the statement of financial position as at December 31, 2021 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Qualified Opinion*

In common with many charitable organizations, the Foundation derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2020, current assets and net assets as at December 31, 2020.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Unaudited Information*

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of Schedule 1 - Combined Squamish Community Foundation Funds and Vancouver Foundation Transferable Fund Balances on page 13 of the Foundation's Financial Statements.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material, if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

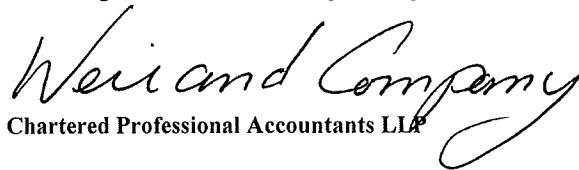
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, the future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

*Report on Other Legal and Regulatory Requirements*

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting principles in Canadian accounting standards for non-for-profit organization have been applied on a basis consistent with that of the preceding year.

  
Chartered Professional Accountants LLP

Port Coquitlam, BC  
November 8, 2022

# Squamish Community Foundation

## Statement of Financial Position

As at December 31, 2021

	2021	2020
<b>ASSETS</b>		
<b>Current</b>		
Cash (Note 2)	\$ 161,504	\$ 142,297
Accounts receivable	10,710	10,028
GST receivable	1,510	1,059
	173,724	153,384
<b>Capital assets (Note 3)</b>	389	\$ 864
	\$ 174,113	\$ 154,248
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 9,362	\$ 6,043
<b>NET ASSETS</b>		
Restricted for Endowment Funds	74,620	52,830
Flow-through Funds	21,846	25,034
Internally Restricted Funds	10,406	10,406
Unrestricted Operating Fund	57,490	59,071
Investment in capital assets	389	864
	164,751	148,205
	\$ 174,113	\$ 154,248

Subsequent Events (Note 7)

*The accompanying notes are an integral part of these financial statements.*

APPROVED BY THE BOARD:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

# Squamish Community Foundation

Statement of Operations  
For the year ended December 31, 2021

	2021	2020
<b>REVENUE</b>		
Donations	\$ 217,015	\$ 154,181
Grants and sponsorships (Note 4)	40,945	36,063
Investment income	55	951
Miscellaneous income	-	203
	258,015	191,398
<b>EXPENSES</b>		
Administration	73,171	52,463
Advertising and fundraising	5,396	2,820
Amortization	475	328
Donations granted	92,625	72,377
GST expense	-	1,059
Office expenses	6,498	3,452
Vancouver Foundation deed of gift (Note 4)	62,825	236,648
Travel	408	-
Website	71	2,626
	241,469	371,773
<b>Surplus (deficit) of revenue over expenses for the year</b>	<b>\$ 16,546</b>	<b>\$ (180,375)</b>

*The accompanying notes are an integral part of these financial statements.*

# Squamish Community Foundation

Statement of Changes in Net Assets  
For the year ended December 31, 2021

	Endowment Funds	Flow-through Funds	Internally Restricted and Unrestricted Funds	Investment in Property and Equipment	2021	2020
Fund balances, December 31, 2020	\$ 52,830	\$ 25,034	\$ 69,477	\$ 864	\$ 148,205	\$ 328,580
Allocation of revenue and expenses:						
Donation revenue	84,454	107	3,258	-	87,819	36,064
Grants and sponsorship	31,784	67,500	39,161	-	138,445	141,403
Investment & other income	54	-	1	-	55	1,154
Administration fee	(15,097)	(4,750)	36,129	-	16,282	-
Donations granted	(26,580)	(66,045)	-	-	(92,625)	(72,377)
Vancouver Foundation deed of gift (Note 4)	(52,825)	-	(10,000)	-	(62,825)	(236,648)
Operating costs	-	-	(70,605)	-	(70,605)	(49,971)
Surplus (deficit) of revenue over expenses for the year	21,790	(3,188)	(2,056)	-	16,546	(180,375)
Investment in capital assets			475	(475)		
Fund balance, December 31, 2021	\$ 74,620	\$ 21,846	\$ 67,896	\$ 389	\$ 164,751	\$ 148,205

*The accompanying notes are an integral part of these financial statements.*

# Squamish Community Foundation

Statement of Cash Flows  
For the year ended December 31, 2021

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Surplus (deficit) of income over expenses	\$ 16,546	\$ (180,375)
Items not affecting cash		
Amortization of equipment and other assets	475	328
	17,021	(180,047)
Changes in non-cash working capital items:		
Accounts receivable	(682)	(3,014)
GST receivable	(451)	(1,059)
Accounts payable and accrued liabilities	3,319	5,815
	19,207	(178,305)
<b>INVESTING ACTIVITIES</b>		
Sale of term deposits and portfolio investments	-	-
Increase in cash held for endowment funds	-	236,648
Purchase of capital assets	-	(1,193)
	-	235,455
<b>INCREASE IN CASH DURING THE YEAR</b>	19,207	57,150
<b>Cash, beginning of year</b>	142,297	85,147
<b>CASH, end of year</b>	\$ 161,504	\$ 142,297

*The accompanying notes are an integral part of these financial statements.*



# Squamish Community Foundation

Notes to the Financial Statements  
For the year ended December 31, 2021

## 1. SIGNIFICANT ACCOUNTING POLICIES

(a) Purpose of the Foundation:

The Squamish Community Foundation (the "Foundation") was incorporated under the Societies Act of British Columbia. The purpose of the Foundation is to improve the quality of life by distributing donations and the earnings from a permanent growing endowment of funds to charitable organizations in Squamish.

(b) Fund accounting:

The Foundation follows the restricted fund method of accounting for contributions. Revenue and expenses related to program delivery and administrative expenses are reported in the Restricted Endowment Funds and the Unrestricted Operating Fund. These funds report unrestricted and restricted resources with restricted grants being allocated to the respective Restricted Endowment funds, and internally generated revenue and general grants and donations being allocated to the Unrestricted Operating Fund. The Internally Restricted Fund reports internally restricted assets set aside for future projects.

(c) Basis of presentation:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

(d) Revenue recognition:

Donations and grants are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. The Foundation follows the restricted fund method of accounting for contributions. Restricted donations and grants are recorded as revenue and expenses to the respective funds only. All other unrestricted donations and grants are recorded in the Unrestricted Operating Fund.

(e) Income taxes:

The Foundation is a registered charity, designated as a public foundation, under the *Income Tax Act* and is exempt from tax as per section 149(1) of the *Income Tax Act*.

(f) Donated goods and services:

The Foundation recognizes goods donated in kind at their fair market value. The Foundation does not recognize donated services.

(g) Financial instruments:

The Foundation's financial instruments consist of cash, cash held for endowment funds, accounts receivable, term deposits and accounts payable and accrued liabilities. All other financial instruments are measured at amortized cost using the effective interest rate method. Financial assets are tested for impairment when changes in circumstances indicate an asset could be impaired.

# Squamish Community Foundation

Notes to the Financial Statements  
For the year ended December 31, 2021

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (h) Use of estimates:

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas requiring management to exercise judgment on the determination of estimates include but are not limited to, collectability of accounts receivable, the completeness of accounts payable and accrual liabilities, and the allocation of administration expenses to funds.

Actual results could differ from management's best estimates as additional information becomes available and may impact future periods.

### (i) Administration fee:

All administrative and operating costs are charged to the Unrestricted Operating Fund. In order to recover these costs, an Administration Fee is then charged from the Unrestricted Operating Fund to each individual fund based on 1.5% of fund balance.

## 2. CASH

The Foundation's bank accounts are held at one British Columbia credit union. The bank account earns interest at the current prevailing rates.

Cash held for endowments represents cash and equivalents received for permanent endowment funds that has not yet been invested. Cash held for endowments is classified as a long-term asset as it is not available for operations.

## 3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2021	Net 2020
Computer	\$ 1,192	\$ 803	\$ 389	\$ 864

## 4. GRANTS AND SPONSORSHIP

The foundation has established two funds with the Vancouver Foundation to ensure that the funds endowed to the Foundation are managed by a professional team of fund managers with the view of preserving capital while maximizing investment returns.

# **Squamish Community Foundation**

Notes to the Financial Statements  
For the year ended December 31, 2021

## **4. GRANTS AND SPONSORSHIP (CONTINUED)**

### **(a) Non-revocable fund:**

The Foundation has donated amounts to establish a permanent, non-revocable, endowment fund with the Vancouver Foundation (the "Non-Revocable Fund"). In return, the Vancouver Foundation grants the investment income that is earned on the combined funds back to the Squamish Community Foundation. This income is recorded as grant revenue and is credited to the Unrestricted Operating Fund. In 2021, \$5,443 (2020 - \$5,918) was received from the Vancouver Foundation related to the Non-Revocable Fund.

The cumulative balance donated to the Non-Revocable Fund since the fund's inception to December 31, 2021 is \$110,000, and it has an estimated market value of \$157,487 as at December 31, 2021 (2020 - \$145,933).

### **(b) Transferable fund:**

In 2018, the Foundation established a fund with the Vancouver Foundation (the "Transferable Fund") with an initial grant of \$400,000 under a deed of gift. The Vancouver Foundation holds, invests and administers the Transferable Fund in accordance with the provisions of the Vancouver Foundation Act.

The Transferable Fund is held as a restricted fund by the Vancouver Foundation and is considered an 'Encroachable Fund' which means that the Foundation may request that the capital, in whole or in part, be transferred to the Foundation, or other such qualified donee, upon written request and in accordance with the policies of the Vancouver Foundation.

The Transferable Fund is pooled with other funds of the Vancouver Foundation and invested in the Consolidated Trust Fund. The investment policy of the Vancouver Foundation Consolidated Trust Fund states that the primary return objective is to achieve a rate of return equal to the consumer price index plus 3.5% (net of investment management fees). Income from the Transferable Fund is distributed to the Foundation on a quarterly basis, less any fees charged by the Vancouver Foundation for administering the fund. In 2021, \$31,784 (2020 - \$28,644) was received from the Vancouver Foundation related to the Transferable Fund.

The cumulative balance donated to the Transferable Fund since inception to December 31, 2021 is \$818,268 (2020 - \$755,443) and has an estimated market value of \$968,071 (2020 - \$837,240).

The Foundation does not control these funds and therefore does not record them in these financial statements. Any amounts received from the Vancouver Foundation arising from these funds are recorded as grant revenue in the statement of operations.

The Foundation tracks the funds held in the Transferable Fund, along with other restricted donations, in order to determine the income earned on the original endowments made to the Foundation and to ensure the income and distributions received are granted for the original intended purpose.

# **Squamish Community Foundation**

Notes to the Financial Statements  
For the year ended December 31, 2021

## **5. REMUNERATION OF DIRECTORS, EMPLOYEES AND CONTRACTORS**

The *Societies Act* (British Columbia) requires the Foundation to disclose the total remuneration paid to the Directors, for either being a director or for acting in another capacity, as well as the total number of employees or contractors with annual remuneration equal to or greater than \$75,000 and the aggregate remuneration of those employees.

During the year no amounts were paid to Directors of the Foundation for acting in their noted capacity (2020 - \$Nil), and no employees received remuneration in excess of \$75,000 (2020 - \$Nil).

## **6. FINANCIAL INSTRUMENTS RISKS**

The Foundation, through its financial instruments, is exposed to various risks. The following analysis provides an assessment of those risks as at December 31, 2021.

### **(a) Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is potentially exposed to credit risk on its cash (Note 2). To mitigate this risk, the Foundation has deposited its cash with a reputable financial institution.

It is management's opinion that the Foundation is not exposed to significant interest rate risk, liquidity risk, market risk or currency risk arising from financial instruments. There have been no changes in the Foundation's exposure to financial instruments risks from previous years.

## **7. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the current year's presentation.

**Schedule 1 - Combined Squamish Community Foundation Funds and Vancouver Foundation Transferable Fund Balances**  
(Unaudited)  
December 31, 2021

Squamish Community Foundation Funds											Vancouver Foundation Transferable Fund				
	2020	Donation Revenue	Grants and Sponsorship Revenue	Investment Income	Admin Fee	Donations Granted	Transfer to Vancouver Foundation	Operating Costs	Surplus of Revenue over Expenses	2021 Balance	2020 Balance	Transfer In	Net Change in Fund Value	Fund Distribution	2021 Balance
<b>Endowment Funds</b>															
Communities that Care Fund	\$ 653	\$	\$ 1,224	\$ 1	\$ (533)	\$ -	\$ (653)		\$ 39	\$ 692	\$ 33,637	\$ 653	\$ 4,328	\$ (1,323)	\$ 37,295
Dollie Strelaeff Fund	3,580	\$	\$ 5,989	\$ 3	\$ (2,606)	\$ (7,880)	\$ (3,580)		\$ (8,074)	\$ (4,494)	\$ 164,144	\$ 3,580	\$ 21,172	\$ (6,473)	\$ 182,423
Grad Legacy Fund	16	\$	\$ 326	\$ -	\$ (142)	\$ (300)	\$ (16)		\$ (132)	\$ (116)	9,114	\$ 16	\$ 1,152	\$ (352)	\$ 9,930
L & L Inghram Fund	1,925	1,000	\$ 7,829	\$ 3	\$ (3,421)	\$ (7,000)	\$ (1,925)		\$ (3,514)	\$ (1,589)	217,309	\$ 1,925	\$ 27,674	\$ (8,460)	\$ 238,448
Music Making Squamish Fund	19,643	13,500	\$ 3,093	\$ 12	\$ (1,549)	\$ -	\$ (19,643)		\$ (4,587)	\$ 15,056	66,987	\$ 19,643	\$ 10,935	\$ (3,343)	\$ 94,222
Ray Peters Fund	133	100	\$ 227	\$ -	\$ (100)	\$ (200)	\$ (133)		\$ (106)	\$ 27	6,223	\$ 133	\$ 802	\$ (245)	\$ 6,913
Realtors Fund	441	1,000	\$ 618	\$ 1	\$ (284)	\$ (550)	\$ (441)		\$ 344	\$ 785	16,859	\$ 441	\$ 2,184	\$ (668)	\$ 18,816
Rob W. MacIntosh Fund	1,865	\$	\$ 2,570	\$ 1	\$ (1,118)	\$ (2,000)	\$ (1,865)		\$ (2,412)	\$ (547)	70,102	\$ 1,865	\$ 9,085	\$ (2,777)	\$ 78,274
Ron Anderson Memorial Scholarship Fund	211	5,155	\$ 1,164	\$ 2	\$ (584)	\$ (1,000)	\$ (211)		\$ 4,526	\$ 4,737	32,398	\$ 211	\$ 4,116	\$ (1,258)	\$ 35,467
SCF Fund	3,325	16,171	\$ 3,186	\$ 7	\$ (1,629)	\$ (2,900)	\$ (3,325)		\$ 11,510	\$ 14,835	85,901	\$ 3,325	\$ 11,263	\$ (3,443)	\$ 97,046
Squamish Terminals Fund	1,877	5,000	\$ 1,184	\$ 3	\$ (590)	\$ (1,000)	\$ (1,877)		\$ 2,720	\$ 4,797	31,293	\$ 1,877	\$ 4,187	\$ (1,280)	\$ 36,077
Vaihalia Environment Fund	14,705	19,258	\$ 4,095	\$ 12	\$ (2,071)	\$ (3,500)	\$ (14,704)		\$ 3,090	\$ 17,795	99,969	\$ 14,704	\$ 14,475	\$ (4,425)	\$ 124,723
Wild at Art Endowment Fund	4,456	2,500	\$ 277	\$ 2	\$ (158)	\$ (250)	\$ (4,452)		\$ (2,081)	\$ 2,375	3,304	\$ 4,452	\$ 979	\$ (299)	\$ 8,436
Squamish Hospice Endowment Fund	-	20,771	\$ -	\$ 7	\$ (312)	\$ -			\$ 20,466	\$ 20,466		\$ -	\$ -	\$ -	\$ -
	<b>52,830</b>	<b>84,454</b>	<b>31,784</b>	<b>54</b>	<b>(15,097)</b>	<b>(26,580)</b>	<b>(52,825)</b>	<b>-</b>	<b>21,790</b>	<b>74,620</b>	<b>837,240</b>	<b>52,825</b>	<b>112,355</b>	<b>(34,349)</b>	<b>968,071</b>
<b>Flow-Through Funds</b>															
Breakfast Club	(250)				250				250	-					
Neighbourhood Small Grant Fund	13,750		17,500			(18,545)			(1,045)	12,705					12,705
Squamish Emergency Fund	3,607	107	50,000		(5,000)	(47,500)			(2,394)	1,214					1,214
Wiggiesworth Fund	7,927								-	7,927					7,927
	<b>25,034</b>	<b>107</b>	<b>67,500</b>	<b>-</b>	<b>(4,750)</b>	<b>(66,045)</b>	<b>-</b>	<b>-</b>	<b>(3,188)</b>	<b>21,846</b>					<b>21,846</b>
<b>Unrestricted and Internally Restricted Funds</b>															
Internally Restricted	10,406		30,000			-		(30,000)	-	10,406					10,406
Unrestricted Operating	59,935	3,258	9,161	1	36,129	-	(10,000)	(40,605)	(2,056)	57,879					57,879
	<b>70,341</b>	<b>3,258</b>	<b>39,161</b>	<b>1</b>	<b>36,129</b>	<b>-</b>	<b>(10,000)</b>	<b>(70,605)</b>	<b>(2,056)</b>	<b>68,285</b>					<b>68,285</b>
<b>Total</b>	<b>\$ 148,205</b>	<b>\$ 87,819</b>	<b>\$ 138,445</b>	<b>\$ 55</b>	<b>\$ 16,282</b>	<b>\$ (92,625)</b>	<b>\$ (62,825)</b>	<b>\$ (70,605)</b>	<b>\$ 16,546</b>	<b>\$ 164,751</b>	<b>\$ 837,240</b>	<b>\$ 52,825</b>	<b>\$ 112,355</b>	<b>\$ (34,349)</b>	<b>\$ 968,071</b>
															<b>\$ 1,132,822</b>